

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

APPLICATION OF MURRY NO. 1 WATER DISTRICT)
FOR RATE INCREASE PURSUANT TO THE) CASE NO. 8732
ALTERNATIVE RATE ADJUSTMENT FOR SMALL)
UTILITIES)

O R D E R

IT IS ORDERED that Murray No. 1 Water District shall file an original and seven copies of the following information with the Commission by March 14, 1983. If neither the requested information nor a motion for an extension of time is filed by the stated date, the case may be dismissed.

1. The 1981 annual report shows gallons sold of 21,572,000 and revenues from sales of \$40,597. Provide a reconciliation of these amounts to the amounts of 26,858,800 gallons sold and \$41,583 in revenue shown on the billing analysis filed with the Commission on February 10, 1983.

2. Provide explanations and supporting documentation for the \$5,000 adjustment to revenue and the \$5,400 adjustment to water purchased shown on the schedule of increased cost information.

3. Provide the amount of water purchased in 1981 that resulted in purchased water expense of \$10,487. Explain how water purchased - 21,975,000 - gallons - as shown in the annual report, could be less than water sold - 26,858,800 gallons as shown on the billing analysis.

4. Provide the calculation for the increase in employee benefits.

5. Explain how the amounts paid to National Resort Properties, Inc. of \$6,300 for 1981 were determined.

6. Provide any contract or written agreement that existed between National Resort Properties, Inc. and the district .

7A. Did employees Wicker and Sims work 35 hours per week for Murry No. 1 when they were being paid by National Resort Properties, Inc.

B. How were the salaries of \$600 per month for Wicker and Sims determined?

C. How much were Wicker and Sims paid by National Resort Properties, Inc.?

8. Murray's present rate design consists of seven rate blocks ranging from the minimum bill block of the first 2,000 gallons to over 100,000 gallons. The proposed rate structure combines the last three rate blocks so all usage over 10,000 gallons is billed at the same rate. Please explain the reasons for this change in rate design, and provide copies of any studies, surveys or comparisons, if any, which may have been used in arriving at the proposed rate design.

9. Increases have been proposed for the first rate block (minimum bill level) and the second rate block. The proposed combination of the last rate blocks results in an increase for the two lower rate blocks. No increase is proposed for the third, fourth and fifth rate blocks. Please explain the reasons for adjusting rates in this manner.

10. Connection charges are proposed to be increased for all size meters. Provide cost justification for each size meter on the attached forms, "Average Metered Service Connection Expense."

Done at Frankfort, Kentucky, this 25th day of February, 1983.

PUBLIC SERVICE COMMISSION


For the Commission

ATTEST:

Secretary

COMMONWEALTH OF KENTUCKY
PUBLIC SERVICE COMMISSION
P.O. BOX 615
FRANKFORT, KENTUCKY 40602

Average Metered Service Connection Expense

Name of Utility: _____ Address: _____

The following is an itemization of expenses for providing a metered service connection.

A. Meter Size

5/8-Inch ☐ 3/4-Inch ☐ 1-Inch ☐ 1 1/2-Inch ☐ 2-Inch ☐

Other (specify) _____

B. Materials Expense

	<u>Quantity</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1. Water Meter	_____	\$ _____	\$ _____
2. Meter Yoke	_____	_____	_____
3. Corporation Stop	_____	_____	_____
4. Meter Box and Top	_____	_____	_____
5. Miscellaneous Fittings	_____	_____	_____
(Itemize)	_____	_____	_____
6. Subtotal (Add column 3)			

\$

C. Service Pipe Expense

Type of Service Pipe: _____ Size of Service Pipe _____

	<u>Quantity</u>	<u>Unit Cost</u>	<u>Total Cost</u>
1. Short Side Service	L.F. \$ _____	L.F. _____	
2. Long Side Service	L.F. _____	L.F. _____	
3. Subtotal (Add column 3 and divide by 2)			\$

D. Installation Expense

Labor

	<u>Total Hours</u>	<u>Rate Per Hour</u>	<u>Total Cost</u>
1. Short Side Service	_____	\$ _____	\$ _____
2. Long Side Service	_____	_____	_____
3. Subtotal (Add column 3 and divide by 2)			\$

Equipment

	<u>Total Hours</u>	<u>Rate Per Hour</u>	<u>Total Cost</u>
1. Short Side Service	_____	\$ _____	\$ _____
2. Long Side Service	_____	_____	_____
3. Subtotal (Add column 3 and divide by 2)			\$

Miscellaneous

	<u>Total</u>	<u>Rate Per Hour</u>	<u>Total Cost</u>
1. Inspection	_____	_____	_____
2. Site Clean-Up	_____	_____	_____
3. Other (Itemize)	_____	_____	_____
4. Subtotal (Add column 3)			\$

E. Overhead Expense

1. Installation expense (\$ _____) x
overhead rate (_____ %)

\$

F. Administrative Expense

1. Office expense for establishing a new account
and billing record.

\$

G. Expense Summary

1. Total of items B-F

\$